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June 30, 2003

Stacey Gerard  
U.S. Department of Transportation  
Research and Special Programs Administration  
Office of Pipeline Safety  
Associate Administrator  
400 7<sup>th</sup> St. SW, DPS-1  
Washington, DC 20590

Dear Ms. Gerard:

**Re:** Hazardous Liquid Pipeline Operator *Annual Report* Form  
[Docket No. RSPA-01-9832]; Revised version posted 5/27/2003

Enbridge Energy Company, Inc. (Enbridge Energy), or its subsidiaries, is the General Partner of a number of pipeline systems in the United States owned by Enbridge Energy Partners, L.P. In all, Enbridge Energy operates more than 6,500 miles of liquid petroleum and natural gas transmission pipelines and more than 6,000 miles of crude and gas gathering lines in the United States. Enbridge Energy employs nearly 1,000 people in the United States who provide operation services for the above pipeline systems as well as various other Enbridge entities and joint ventures including Vector Pipeline - a 344-mile natural gas transmission pipeline.

We appreciate the reconsideration of the liquid Annual Report and note that many of Enbridge Energy's comments offered to the docket in our letter dated November 19, 2002 have now been addressed in the May 27, 2003 revisions posted. The feedback gained during discussions in the February 2003 Technical Hazardous Liquid Safety Standards Committee and consideration of other comments, notably those of the American Petroleum Institute, have resulted in a significantly improved, valid, and more workable format. As we stated in our previous comments, we support the Office of Pipeline Safety's (OPS) efforts to collect additional information on the nation's liquid pipeline infrastructure in an effort to understand trends and prioritize the OPS regulatory agenda.

As members of the American Petroleum Institute (API), we support the comments made by API to this docket to make further improvements to the revised Annual Report form. Enbridge Energy offers the following comments to reinforce several points:

- **Instructions should indicate how operators should report systems that transport various batches of product in one system or pipeline.** Specifically, Enbridge Energy operates the Lakehead System and two of the pipeline segments in that system transport both crude oil and HVL (natural gas liquids) in batches within the same pipeline. In other words, we do not have an exclusively devoted HVL line. We recommend that OPS indicate in its instructions that the Operator reports the system by checking the box of the commodity that is transported in the largest percentage. While not usable for trending, OPS *could* allow for a narrative explanation in this area of the report (with instructions for consistency) that would detail this unique situation.
- **Part F needs to be modified to mirror the regulatory requirement for 20% or less SMYS pipe.** The data field should clearly state the choice of 20% or less and greater than 20% to avoid confusion or misstating pipelines that operate at 20% SMYS.
- **Part G is not clear on regulatory oversight for gathering pipelines that would prompt reporting in the OPS Annual Report.** Presumably, OPS is seeking information on the proposed Annual Report about gathering pipelines currently regulated under 49 CFR Part 195 and should so state on the form and instructions. Many other agencies regulate safety, commercial or environmental aspects of rural gathering pipelines so stating “unregulated” may cause confusion.
- **Part H needs to be reorganized somewhat to more clearly indicate which fields are “number” of tanks and which are “capacity”.** While we appreciate OPS’s desire to avoid duplication of information in the NPMS and Annual Report, we also appreciate that other agencies or non-government organizations may ONLY have access to data on the Annual Report and not the NPMS. Based on past experience, interest in overall risks of above-ground storage tanks has previously been misrepresented due to the lack of accurate infrastructure data. While this information will provide only breakout storage tanks - - and not other non-OPS regulated above-ground tanks - - the data is easy enough to provide that OPS should require it for all submissions. We recommend that a box be provided to indicate that the data has been provided to NPMS (thus avoid duplication), but nevertheless, the Operator still be required to report the data so researchers and others outside OPS can have accurate tank infrastructure data on an aggregate basis. Conversely, OPS may have already addressed this issue and foresee a mechanism for providing tank data externally.
- **All references to commodity transported in accident reports, safety related condition reports and this proposed Annual Report should be identical.** To allow OPS to complete the appropriate analytical work on the data, there must be alignment between the various reports submitted.
- **We support the additional Integrity Management program metrics sought through this proposed Annual Report.** As an Operator of natural gas pipelines, we have been keenly monitoring the NPRM and comments on the natural gas integrity management rules. We strongly support API’s perspective that with the improvements to the revised Annual Report (and

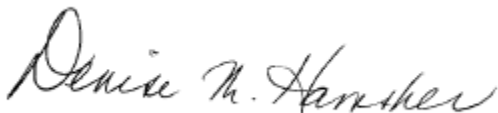
recently lowered spill reporting threshold issued under separate rulemaking) OPS has the data necessary to evaluate the impact of the integrity management rulemaking. This, along with specific inspections of Operator's plan, assessments and mitigations, should supplement OPS understanding of the affect of this rulemaking on the safety of the nation's liquid pipeline infrastructure.

- **Part J needs to be revised to avoid a presumption that in-line inspection is the only integrity assessment approach.** We support API's comments on this issue and want to reinforce our recommendation that the section be revised (and numbering corrected). We commend OPS for revising the fields of choice for internal inspection to avoid a focus on current technological approaches and, rather, focus on the type of hazard. As the industry, researchers and OPS are all working on research and development to continue to assure progress continues in internal inspection technology, we anticipate new technologies can be applied to nondestructively identifying and assessing each category of potential hazard.

The liquid Annual Report is specifically designed to assist OPS in capturing infrastructure data and completing trending analysis. The design of this revised report has the added benefit of capturing metrics on the liquid industry's application of the integrity management rules. Enbridge Energy also appreciates that an added benefit of the proposed Annual Report is to make additional pipeline infrastructure data available to the public. This Annual Report fulfills one of the steps in improving public access to meaningful data that avoids security-sensitive issues. Many other initiatives (lower incident reporting threshold, NPMS, improved OPS web-based information of reported data and impending new standards for public awareness programs) are also contributing to the goal of improving public communication. We appreciate the effort made in improving the Annual Report to not only meet OPS needs for meaningful infrastructure data, but also ensure that this data is valid so the information plays a part in this public communication mix.

Thank you for the opportunity to comment and we appreciate OPS staff efforts in making the needed improvements to this proposed Annual Report.

Sincerely,

A handwritten signature in cursive script, reading "Denise M. Hamsher".

Denise Hamsher  
Director Public, Government and Regulatory Affairs